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FM SECSTATE WASHDC
TO RUEHRL/AMEMBASSY BERLIN PRIORITY 9014
INFO MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE
RUEHAD/AMEMBASSY ABU DHABI 3080
RUEHDE/AMCONSUL DUBAI 8286

S E C R E T SECTION 01 OF 02 STATE 002425

SIPDIS

E.O. 12958: DECL: 01/09/2034

TAGS: [PARM](#) [PREL](#) [ETTC](#) [MTCRE](#) [KSCA](#) [GM](#) [FR](#) [IR](#) [AE](#)

SUBJECT: UAE-BASED FRONT COMPANY FOR IRANIAN PROCUREMENT
ENTITY SEEKS FRENCH-ORIGIN CONNECTORS FROM GERMAN FIRM (S)

Classified By: ISN/MTR DIRECTOR PAM DURHAM FOR REASONS 1.4
(B), (D).

¶1. (U) This is an action request. Please see paragraph 4.

¶2. (S) The United States has information indicating that in November 2008, the United Arab Emirates-based entity Alkaen Equipment and Industrial Supplies LLC placed an order with Germany's MPS Electronic Vertriebs GmbH for a quantity of connectors manufactured by the French firm Souriau. These connectors are not controlled by any of the multilateral export control regimes, but they are military-grade and could be used in missile applications. MPS Electronic has ordered the connectors from Souriau, and plans to forward them to Alkaen upon receipt of payment. Alkaen would in turn transfer the equipment to the Farazeh Equipment Distributor Company (FEDCO) in Iran. Alkaen is a front company for FEDCO, an entity that has acted as a supplier to Iran's liquid-propellant ballistic missile and UAV programs. FEDCO is also the parent of a number of other front companies, including Malaysia's Evertop Services and Elite Advanced Solutions.

¶3. (S) Objectives: We want to share this information with German officials, and request that they take all appropriate measures to ensure that MPS Electronic and other German firms are not acting as sources of supply to FEDCO and affiliated companies. (NOTE FOR POST ONLY: We have not shared this information with UAE authorities. END NOTE)

¶4. (U) Action Request: Department requests Embassy Berlin approach appropriate host government officials to deliver talking points in paragraph 5. Talking points can be left as a non-paper. This information is also being shared with French officials.

¶5. (S) Begin talking points/non-paper:

(SECRET//REL GERMANY)

-- We would like to raise with you a matter of proliferation concern and request your government's assistance in investigating this activity.

-- We have information indicating that in November 2008, the United Arab Emirates firm Alkaen Equipment and Industrial Suppliers LLC - a front company for the Iranian procurement firm Farazeh Equipment Distributor Company - placed an order for an unknown quantity of military connectors from the German firm MPS Electronic Vertriebs GmbH.

-- These connectors, manufactured by the French firm Souriau, are not controlled but are military grade and could be used in missile applications.

-- We understand that MPS Electronic has ordered these items from Souriau, and plans to ship them to Alkaen upon receipt of payment via wire transfer.

-- Once Alkaen receives these connectors from MPS Electronic, it plans to forward them to FEDCO.

-- FEDCO is also the parent of company of a number of other procurement front companies, including Malaysia-based firms Evertop Services and Elite Advanced Solutions.

-- FEDCO previously sought similar connectors through these front companies.

-- FEDCO has acted as a supplier to a number of Iranian entities of proliferation concern, including the Shahid Hemmat Industrial Group (Iran's primary liquid-propellant ballistic missile developer) and entities affiliated with Iran's UAV program.

-- We do not know if MPS Electronic is aware of the end-user's actual identity.

-- We encourage you to investigate this information and take appropriate measures to ensure that MPS Electronic

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and other German firms are not acting as sources of supply to FEDCO and affiliated companies.

End talking points/non-paper

16. (U) Please contact ISN/MTR's John Paul Herrmann with any questions or follow-up related to this case (202-647-1430 - herrmannjp2@state.gov or herrmannjp@state.sgov.gov) and slug reporting on this issue for ISN/MTR, EUR/CE, and EUR/PRA.

17. (U) A Word version file of this document will be posted at www.state.sgov.gov/demarche.
RICE